

State of Arizona  
House of Representatives  
Forty-ninth Legislature  
Second Regular Session  
2010

House Engrossed  
**FILED**  
**KEN BENNETT**  
**SECRETARY OF STATE**

CHAPTER 96

## **HOUSE BILL 2507**

AN ACT

AMENDING SECTION 42-13302, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX VALUATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 42-13302, Arizona Revised Statutes, is amended to read:

42-13302. Determining limited value in cases of omissions and changes

A. In the following circumstances the limited property value shall be established at a level or percentage of full cash value that is comparable to that of other properties of the same or similar use or classification:

1. ~~Land or improvements that were~~ PROPERTY THAT WAS erroneously totally OR PARTIALLY omitted from the property tax rolls in the preceding tax year.

2. Property for which a change in use has occurred since the preceding tax year.

3. Property that has been modified by construction, destruction or demolition since the preceding valuation year.

4. Property that has been split, subdivided or consolidated between FROM January 1 through September 30 of the valuation year, except for cases that result from an action initiated by a governmental entity, ~~if the limited property values are established at a level or percentage of full cash value in the valuation year that is comparable to that of other properties and it results in an increase that is more than the limited property value previously determined in the valuation year, the limited values shall not change for the valuation year.~~

B. In the case of property that is split or consolidated after September 30 through December 31 of the valuation year, except for cases that result from an action initiated by a governmental entity, the total limited property value of the new parcel or parcels shall be the same as the total limited property value of the original parcel or parcels. ~~For cases that result from an action initiated from a governmental entity, if the limited property values are established at a level or percentage of full cash value in the following valuation year that is comparable to that of other properties and it results in an increase that is more than the limited property value that would have been determined under section 42-13301, then the limited property value shall be determined pursuant to section 42-13301.~~ For the following valuation year, the limited property value shall be established at a level or percentage of full cash value that is comparable to that of other properties of the same or similar use or classification. The new parcel or parcels shall retain the same value-adding characteristics that applied to the original parcel before being split or consolidated, except as provided in subsection A, paragraph 3 of this section.

C. ~~If it is determined that a parcel of property's value-adding characteristics or attributes that were in existence in a preceding valuation year have been previously partially omitted from or erroneously stated on the tax rolls to exempt the property from section 42-13301, the county assessor shall prepare a written statement of the full details relating to the~~

1 ~~property, the omitted or erroneously stated characteristics, the difference~~  
2 ~~in value that should be added to or subtracted from the limited property~~  
3 ~~value and any other relevant information that the assessor may provide.~~

4 ~~D. If a parcel of real property has multiple improvements and in tax~~  
5 ~~year 1979 the assessor's records recorded more or less than all of the~~  
6 ~~improvements, then on determining that the improvement exists the assessor~~  
7 ~~shall treat the property as missed parcels in subsection A of this section~~  
8 ~~and the entire parcel with all improvements is subject to revaluation~~  
9 ~~pursuant to subsection A of this section.~~

10 C. IN THE CASE OF PROPERTY THAT WAS SPLIT, SUBDIVIDED OR CONSOLIDATED  
11 FROM JANUARY 1 THROUGH SEPTEMBER 30 OF THE VALUATION YEAR AS A RESULT OF AN  
12 ACTION INITIATED BY A GOVERNMENTAL ENTITY, THE LIMITED VALUE IS THE LOWER OF  
13 EITHER:

14 1. THE LEVEL OR PERCENTAGE OF FULL CASH VALUE THAT IS COMPARABLE TO  
15 THAT OF OTHER PROPERTIES OF THE SAME OR SIMILAR USE OR CLASSIFICATION.

16 2. THE TOTAL LIMITED VALUE FOR THE ORIGINAL PARCEL OR PARCELS AS  
17 DETERMINED UNDER SECTION 42-13301, AND IN THE FOLLOWING VALUATION YEAR, THE  
18 LIMITED PROPERTY VALUE SHALL BE ESTABLISHED PURSUANT TO SECTION 42-13301.

19 D. IN THE CASE OF PROPERTY THAT WAS SPLIT, SUBDIVIDED OR CONSOLIDATED  
20 AFTER SEPTEMBER 30 THROUGH DECEMBER 31 OF THE VALUATION YEAR AS A RESULT OF  
21 AN ACTION INITIATED BY A GOVERNMENTAL ENTITY, THE TOTAL LIMITED VALUE FOR THE  
22 RESULTING PARCEL OR PARCELS IS THE SAME AS THE TOTAL LIMITED VALUE FOR THE  
23 ORIGINAL PARCEL OR PARCELS AS DETERMINED UNDER SECTION 42-13301, AND IN THE  
24 FOLLOWING VALUATION YEAR, THE LIMITED PROPERTY VALUE SHALL BE ESTABLISHED AS  
25 THE LOWER OF EITHER:

26 1. THE LEVEL OR PERCENTAGE OF FULL CASH VALUE THAT IS COMPARABLE TO  
27 THAT OF OTHER PROPERTIES OF THE SAME OR SIMILAR USE OR CLASSIFICATION.

28 2. THE LIMITED PROPERTY VALUE ESTABLISHED PURSUANT TO SECTION  
29 42-13301.

APPROVED BY THE GOVERNOR APRIL 20, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 21, 2010.